

## **FISCAL NOTE**

### **SB 3214 - HB 3206**

January 26, 2008

**SUMMARY OF BILL:** Requires pharmacies to maintain a database of authorized individuals within a household who may pick up prescription drugs.

#### **ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – The Board of Pharmacy will incur an increase in one-time expenditures of \$4,900 and recurring expenditures of \$162,800. The Board is self-supporting and will increase total fee collections by \$167,700 if there is not adequate revenue generated to cover the additional expenditures. Currently, the Board is collecting approximately \$480,600 in excess revenue each year.**

#### Assumptions:

- The Board of Pharmacy will hire an additional Pharmacist Investigator in order to handle the increases in complaints, investigations, telephone inquiries from licensees, and increased time for compliance monitoring of on-site visits.
- The additional Investigator will result in an increase in recurring state expenditures of \$162,800 which includes salary (\$95,700), benefits (\$33,500), administrative cost allocation (\$7,900), computer support (\$200), office lease (\$4,100), supplies (\$600), and travel (\$20,800).
- There will be a one-time increase in state expenditures of \$4,900 for office set-up (\$2,700) and computer equipment (\$2,200).
- Pursuant to Tenn. Code Ann. §§ 4-3-1011 and 63-1-137, all health-related boards are required to be self-supporting over a two-year period.
- The Board of Pharmacy generates approximately \$1,380,000 per year in revenue and expends approximately \$899,400. As of June 30, 2007, the Board of Pharmacy Reserve Account had a balance of \$1,876,500.
- Should the additional expenditures incurred by the Board exceed the current level of revenue collected, the Board would be required to increase its fees.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

/kml